

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Request for Review of the Decision of the)	
Universal Service Administrative)	
Company by)	
)	
Brooke County School District)	File No. SLD-220071
Wellsburg, West Virginia)	(FRN 539031)
)	
Federal-State Joint Board on Universal)	CC Docket No. 96-45
Service)	
)	
Changes to the Board of Directors of the)	CC Docket No. 97-21
National Exchange Carrier Association, Inc.)	
)	
)	

ORDER

Adopted: November 7, 2002

Released: November 8, 2002

By the Telecommunications Access Policy Division, Wireline Competition Bureau:

1. Before the Telecommunications Access Policy Division is a Request for Review filed by the Brooke County School District (Brooke County), Wellsburg, West Virginia.¹ Brooke County seeks review of a funding commitment decision by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (Administrator) in regards to certain requests for support in Funding Year 2001 of the schools and libraries universal service program.² For the reasons set forth below, we affirm SLD's rejection and deny Brooke County's Request for Review.

2. Under the schools and libraries universal service support mechanism, eligible schools, libraries, and consortia that include eligible schools and libraries, may apply for

¹ Letter from Nathaniel Hawthorne on behalf of the Brooke County School District to the Federal Communications Commission, filed September 5, 2001 (Request for Review).

² See Request for Review. Section 54.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of the Administrator may seek review from the Commission. 47 C.F.R. § 54.719(c). Previously, this funding period was referred to as Funding Year 4. Funding periods are now described by the year in which the funding period starts. Thus, the funding period which began on July 1, 2001 and ended on June 30, 2002, previously referred to as Funding Year 4, is now called Funding Year 2001. The funding period which began on July 1, 2002 and ends on June 30, 2003, is now known as Funding Year 2002, and so on.

discounts for eligible telecommunications services, Internet access, and internal connections.³ In order to receive discounts on eligible services, the Commission's rules require that an applicant submit to the Administrator a completed FCC Form 470, in which the applicant sets forth the school's technological needs and the services for which it seeks discounts.⁴ Once the school has complied with the Commission's competitive bidding requirements and signed a contract for the eligible services, it must file an FCC Form 471 application to notify the Administrator, among other things, of the services that have been ordered, the carrier with whom the school has signed the contract, and an estimate of funds needed to cover the discounts to be given for eligible services.⁵

3. Brooke County appeals a funding decision to the Commission.⁶ In its FCC Form 471, Brooke County requested, among other things, funding for telecommunications service from the Computer Store of West Virginia for the pre-discount amount of \$5,400 (FRN 539031).⁷ SLD issued a Funding Commitment Decision Letter to Brooke County on August 7, 2001, denying this funding request in full because the "applicant has not provided sufficient documentation to determine the eligibility of this item."⁸

4. In its Request for Review, Brooke County asks the Commission to overturn SLD's determination, arguing that SLD never requested any additional documentation regarding this FRN.⁹ In support of this assertion, Brooke County has provided copies of a facsimile and an electronic mail from SLD to Brooke County's representative in the application process, Paul Karas.¹⁰ In this correspondence, SLD indicated that "[n]umerous applications and FRNs remain outstanding and unsupported," and provided a list of applications that required additional

³ 47 C.F.R. §§ 54.402, 54.503.

⁴ 47 C.F.R. § 54.504(b)(1), (b)(3).

⁵ 47 C.F.R. § 54.504(c).

⁶ In its Request for Review, Brooke County also appealed SLD's denial of its funding request for Internet access services to be provided by the Regional Education Service Agency of West Virginia (RESA). *See* Request for Review. On January 11, 2002, however, Brooke County filed a request to withdraw its appeal concerning the RESA Internet access services. *See* Letter from Nathaniel Hawthorne on behalf of Brooke County School District to the Federal Communications Commission, filed January 11, 2002. This Order only addresses the funding request that was not specifically withdrawn by Brooke County.

⁷ FCC Form 471, Brooke County School District, filed January 16, 2001 (Block 5, FRN 539031).

⁸ Letter from Schools and Libraries Division, Universal Service Administrative Company, to Paul Karas, Brooke County School District, dated August 7, 2001 (Funding Commitment Decision Letter).

⁹ Request for Review at 2.

¹⁰ *See* Request for Review, Attachment B (copy of electronic mail transmission from John Piznak, Schools and Libraries Division, Universal Service Administrative Company, to Paul Karas, dated July 16, 2001 (July 16 Correspondence)).

documentation.¹¹ Brooke County contends that, because SLD did not specifically ask for documentation regarding Brooke County in this correspondence, there were therefore no outstanding issues regarding Brooke County.¹²

5. We have reviewed Brooke County's appeal and conclude that Brooke County has not shown that its request for discounts on telecommunications services was improperly denied. The program's rules state that universal service funds support only eligible services.¹³ In order for SLD to determine whether a funding request is in compliance with program rules, an applicant must provide sufficient documentation to support its request. Specifically, Block 5 of the standard FCC Form 471 specifies that, for each funding request, applicants must at a minimum attach a description of the service, including a breakdown of components and costs, plus any relevant brand names.¹⁴ The applicant must also indicate whether the service is site-specific or shared by several entities.¹⁵

6. Given the enormous volume of applications and other submissions that SLD processes and reviews each year, it is necessary for SLD to put in place measures to ensure prompt resolution of applications. One such measure in place is an administrative policy that applicants from whom SLD solicits additional information necessary to complete their application respond with that information within seven days of being contacted.¹⁶ The policy has been necessary in order to prevent applicants from unduly delaying the application process. Contrary to Brooke County's assertion that SLD did not ask for documentation in connection with the funding request at issue here, the record indicates that SLD's Program Integrity Assurance (PIA) team contacted Mr. Karas on a number of occasions to obtain more detailed information about this funding requests, including documentation of one-time charges and monthly bills.¹⁷ The record further indicates that Mr. Karas failed to provide the requested documentation.¹⁸

¹¹ *Id.*

¹² Request for Review at 2.

¹³ 47 C.F.R. § 54.504 *et seq.*

¹⁴ See Instructions for Completing the Schools and Libraries Universal Service Services Ordered and Certification Form, OMB 3060-0806, November 2001 (FCC Form 471 Instructions), <http://www.sl.universalservice.org/data/pdf/i471y5.pdf>.

¹⁵ *Id.*

¹⁶ See *Request for Review by Nefesh Academy, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, File No. SLD-27881, CC Dockets No. 96-45 and 97-21, Order, DA 99-2284 (Com. Car. Bur. rel. October 22, 1999) (citing seven-day rule). See also SLD website, Reference Area, Program Integrity Assurance (PIA), <http://www.universalservice.org/reference>.

¹⁷ PIA contact logs in the record indicate that SLD contacted Mr. Karas by phone on April 18, 2001 to request information regarding the one-time charges and monthly bills and to inform him of the seven-day deadline for responding to the request as well as on April 25 and 26, 2001 to memorialize its conversation with Mr. Karas that he had failed to provide the requested bills within the seven-day filing period. The SLD reviewer's notes in these logs also indicate that SLD received a fax from Mr. Karas, but the information sent was "not what SLD (continued....)

7. Brooke County asserts that when SLD contacted Mr. Karas on July 16, 2001, SLD specified a number of applications for which there were outstanding document requests, but did not mention Brooke County.¹⁹ The fact that SLD may not have specifically requested further information from Brooke County in its July 16, 2001 correspondence, however, does not alter the fact that Brooke County had failed to respond to SLD's earlier requests for information concerning FRN 539031. SLD's information for applicants clearly states that SLD reserves the right to determine the adequacy of the information provided by an applicant during the PIA process, and the fact that SLD may not have asked for further information after the initial 7-day filing period ran in April does not establish that the documentation provided by Brooke County was adequate.²⁰

8. In light of the thousands of applications that SLD reviews and processes each year, it is administratively necessary to place on the applicant the responsibility of complying with all relevant rules and procedures.²¹ In order for the program to work efficiently, the applicant must assume responsibility for timely submission of complete and accurate application materials if it wishes to be considered within the window. Because Brooke County provides no evidence that it supplied the requested information during the initial seven-day filing period, we affirm SLD's decision.

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requested." See Universal Service Administrative Company, Schools and Libraries Division, Review Activity Logs (entries for April 18, 25, and 26, 2001) (Review Activity Logs).

¹⁸ Review Activity Logs (entries for April 25 and 26, 2001).

¹⁹ July 16 Correspondence.

²⁰ *Id.* See also SLD website, Reference Area, Program Integrity Assurance (PIA), <http://www.universalservice.org/reference>.

²¹ See *Request for Review by Anderson School Staatsburg, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, File No. SLD-133664, CC Docket Nos. 96-45 and 97-21, Order, 15 FCC Rcd 25610 (Com. Car. Bur. 2000), para. 8.

9. Accordingly, IT IS ORDERED, pursuant to authority delegated under sections 0.91, 0.291, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 54.722(a), that the Request for Review filed on September 5, 2001 by the Brooke County School District, Wellsburg, West Virginia, IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Mark G. Seifert
Deputy Chief, Telecommunications Access Policy Division
Wireline Competition Bureau